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# THE LEDGER INDEPENDENT

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POSTAL REGULATORY  
COMMISSION  
OFFICE OF THE SECRETARY

Ruth Goldway  
Chairman Postal Regulatory Commission  
901 New York Avenue NW, Suite 200  
Washington, DC 20268-0001

Dear Chairman Goldway,

I am writing this letter because I have serious concerns about the USPS plan to provide a unilateral rate preference to a mass mailer in the form of the "Valassis NSA."

I would ask that you deny the request for approval of this flawed proposal that is now before the Postal Regulatory Commission based on a consideration of all USPS customers and the long term success of the postal service.

The proposal now before the PRC offers an unfair advantage to Valassis, and while that company will certainly benefit from the reduced costs of delivery for its products, others that provide the same or similar services will be sorely affected.

I have been in the newspaper business for more than 30 years. Our business model – like that of the USPS – is changing dramatically. We are affected by the digital revolution, Email, social networking and demographic changes in the U.S. and world. Throughout this struggle, we have partnered with the Postal Service to deliver news, entertainment and advertising to readers. That partnership – though rocky at times – has worked because both the USPS and newspapers hold an unusual trust in the American way of life.

Although required to remain solvent and financially stable, the postal service has a greater mission in providing a means of affordable communication within our democracy. That has been the case since the earliest days of our nation. Newspapers, too, must be profitable. But they also fulfill a key role in educating U.S. citizens and providing a "marketplace of ideas."

Make no mistake. Valassis is a competitive, well-run and profitable business, but it has no mission other than making money for itself and its shareholders.

Advertising inserts have long been an important part of newspaper revenues. Such business helps us to pay the expenses associated with publishing a newspaper including the ability to gather and report the news.

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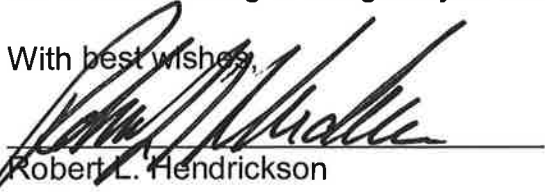
Valassis is both a customer of and a competitor with newspapers in many markets including my own. And while I respect its right to compete for advertising inserts here and elsewhere, I do not believe the U.S. Postal Service should offer Valassis a competitive advantage. The resulting loss in business to us will mean reductions in workforce and an effort to cut other costs – including post office delivery of some of our products.

I believe significant financial harm will result to thousands of newspapers across the United States; and local dollars that would normally benefit local communities will be drained away to a company that has no local presence, no local workforce, and pays no local taxes. My small daily newspaper employs 50 persons, maintains a building in the historic district of downtown Maysville, and pays thousands of dollars in local taxes each year.

But the negative effect of this proposal on newspapers is not the only reason for USPS to reconsider. In fact, the advantage given to Valassis will – over the long term – weaken the USPS by reducing the ability to compete and ultimately reducing revenues the service so desperately needs. Unfortunately, the information I see suggests that USPS is looking solely at the short term advantages to offering such rates to a single customer and has not considered the future ramifications of such a move.

I appreciate your willingness to listen to a voice in objection to the request of the PRC made by your agency. I believe common sense, fairness, factual data and a full understanding of the gravity of this issue will result in denial of the request.

With best wishes,



Robert L. Hendrickson  
Publisher  
The Ledger Independent  
Maysville, KY

CC:

The Honorable Sen. Mitch McConnell  
The Honorable Sen. Rand Paul  
The Honorable Rep. Geoff Davis  
The Honorable Mayor David Cartmell